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An Overview of Brown County's 2016 Annual Trending (Revised)

The following steps were taken to conduct the 2017 annual trending in Brown County:

General Overview:

Per the Indiana Board of Realtors, Brown County was reported as showing an increase in the average median home sale price for year 2015. With regards to sale prices to current assessment values, this was evident in a few of the neighborhoods. For the trending process, sales from 1/1/2016 through 12/31/2016 were used. There was one (1) sale from the 2014 and one (1) sale from the 2015 time period that was used in Commercial Vacant study. Within the Vacant Residential study, the township of Van Buren utilized seven (7) sales from the 2015 time frame as there were less than five (5) qualified sales from the 2016 time frame for this township. There was no time adjustment of any sales outside of the mandated time period. Neither the 2014 nor the 2015 sales were time adjusted as their isn't enough data to calculate a reliable time adjustment percentage. Within the Commercial Vacant study, one cannot calculate a reliable time adjustment based upon one sale (2014 and 2015). For the Van Buren Vacant Residential grouping, the limited number of sales as well as variations in land size, view, topography would provide a less than reliable calculation.. Every township saw an increase in the number of improved residential sales that occurred. Hamblen Township experienced the greatest percentage increase, with an increase of approximately 60% in the number of sold properties.

The county updated the year from which improvements are depreciated from. The county's Location Code Multiplier (LCM) did not change, as directed by the DLGF. Every residential neighborhood was analyzed. Sales were the primary base for any market factor changes. Additional information such as appealed properties and the net result of the depreciation change was also taken into consideration when determining neighborhood factor adjustments.

Commercial and Industrial parcels were also updated with the new depreciation year.

Land Values:

Land base rates were reviewed and as a whole were left unchanged.

Market Adjustment Factors (Residential):

As a result of the new depreciated year, almost every improved residential property was affected in some manner. As stated above, Brown County experienced a greater number of sales during the year, with the Hamblen Conservancy area being the most active. New construction continues to take place throughout the county but there aren't any newly developed subdivisions being platted.

Groupings:

The following neighborhoods were grouped together for trending purposes:

7025500, 7035500, 7045500 & 7055500

7055110 & 7055120

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Commercial / Industrial:

The depreciation year was changed for commercial/industrial properties.

Commercial Improved: Only the township of Washington had any sales transactions, as it is only one of two townships that have more than twenty-five (25) commercial improved properties. Jackson Township is the other with only forty-six (46) improved parcels. The statistical data for Washington is being reported for Jackson.

Commercial Vacant: Brown County has only one township (Washington) where the number of vacant commercial properties exceeds the twenty-five (25) parcel count threshold. The majority of the vacant commercial parcels are parcels that support improved parcels and actually should be combined. There was one sale from Jackson Township that was marked valid, thus it was used in the study and combined with Washington Township. Once again, the combining of this sale into Washington was due to no townships other than Washington has greater than 25 parcels

There are only a total of eight (8) improved industrial properties in the entire county – no study conducted

There is only a total of one (1) vacant industrial property in the entire county – no study was conducted.

Use of Sales information

Brown County is committed to utilizing as many valid sales as possible, including multiple parcel sales. As stated above, the time period for sales used was from January 1, 2016 through December 31, 2016 for all class studies. One exception would be the Commercial Vacant grouping as it was expanded to include one sale from 2014 and one sale from 2015. Despite expanding the timeframe for this grouping, the county still has less than 5 sales occurring. With the county having only one township with greater than twenty-five (25) vacant commercial parcels and less than ninety (90) county wide, sales for this grouping will always be minimal. Prior to this 2014 sale, the last occurring sale was in 2010. There was no time adjustment for any of the sales used. The other exception would be the VanBuren Vacant Residential study as it was deemed necessary to look outside of the 2106 time frame. Seven (7) of the eight (8) sales from the 2015 time period/2016 ratio study were used for this analysis. The one sale from the 2015 time frame/2016 ratio study was due to the acreage size had changed from the 2016 assessment year, thus making that sale no longer valid.

An additional file, titled ***“Brown County Sales Reconciliation Rpt”*** has been included with the submission of the ratio study. This file has two worksheets; 1. ***“DLGF Sales Trimmed”*** = detailed information of those sales the DLGF provided the county that required an explanation, 2. ***“Used Sales not on DLGF***

Rpt'' = listing of sales that were also included in the study that occurred during the 2016 timeframe but were not on the DLGF Sales Reconciliation report that was dated 2-17-17. Brown County is committed to using as many sales as possible. A total of 375 sales were used in the study, an increase of 32% from the previous year. Multiple parcel sales accounted for 58 of the total sales used.

Percent Change:

The following categories had greater than a +/-10% change:

Jackson (Improved commercial) = increase was due to new construction on one parcel, which accounted for an increase of \$732,900 or 82% of the total increase for the township's category

Jackson (Vacant Commercial) = increase was due to a newly created parcel within the township. New parcel has a value of \$30,800 which was 100% of the total increase for the township's category

Washington (Industrial Improved) = increase was due to new construction for one parcel. The parcel increased by \$112,800 which was more than the total increase for the township's category.